

**COMPETITIVE SOURCING STUDY
FAA FLIGHT SERVICE FUNCTION
8/19/02**

The FAA is moving ahead with a comprehensive study to compare the cost of performing the Flight Service Station (FSS) functions in-house by the FAA to the cost of contracting out.

FAA operates 61 Automated Flight Service Stations (AFSS) throughout the United States. FSS functions in Alaska have been excluded due to its unique nature and requirements. About 2,700 employees staff the 58 AFSS that will be studied.

Flight Service Stations provide pilot weather briefings and flight planning services, en route communications, and Visual Flight Rule (VFR) search and rescue services.

Before initiating the competitive sourcing study, the FAA, assisted by a feasibility study prepared by Grant Thornton LLP, determined that: a substantial portion of the FSS functions are commercial in nature; industry is capable and interested in performing the functions; and outsourcing will not compromise safety or homeland security.

The FAA FSS employees will be actively involved in the study.

The first step in the study will be development of a requirements statement for the FSS function in the form of a Performance Work Statement (PWS).

Second, private industry and the FAA will develop proposals and cost estimates to provide the services in the PWS.

The final decision to contract out or to keep this function in-house will be based on cost.

This study is expected to take eighteen months to complete.

This competitive sourcing study implements the President's Management Agenda and will be conducted in accordance with OMB Circular A-76.